

# **EXHIBIT 3**

Castlerigg Master Investments Ltd.  
c/o Sandell Asset Management Corp.  
40 West 57th Street, 26th Floor  
New York, New York 10019

September 28, 2007

EVENT OF DEFAULT REDEMPTION NOTICE

**Via Facsimile & Overnight Courier**

Charys Holding Company, Inc.  
1117 Perimeter Center West, Suite N415  
Atlanta, Georgia 30338  
Facsimile: (678) 443-2320  
Attention: Billy V. Ray, Jr.  
Chief Executive Officer

Dear Mr. Ray:

Reference is made to the Subordinated Unsecured Convertible Note (the "**Note**") issued on April 30, 2007 by Charys Holding Company, Inc. (the "**Company**") to Castlerigg Master Investments Ltd. (the "**Holder**"). Capitalized terms used herein and not otherwise defined herein shall have their respective meanings set forth in the Note.

The Installment Amount, which was due and payable in respect of the Note on September 1, 2007, was not paid in full on that date and has not been paid in full as of the date hereof. Because of the failure to pay in full the Installment Amount in respect of the Note when due, there exists an Event of Default under Section 4(a)(v) of the Note.

Accordingly, pursuant to Section 4(b) of the Note, the Holder hereby elects to require the Company to redeem \$4,937,244 at the Event of Default Redemption Price in accordance with Section 4(b) of the Note.

Nothing contained herein shall be deemed to evidence a waiver by the Holder with respect to (i) any existing or future breach, Default or Event of Default (whether or not specified herein) or any right or remedy with respect to any such breach, Default or Event of Default, (ii) any provision of the Note or any other Transaction Document or any other document or instrument executed in connection therewith or (iii) any right or remedy to which the Holder may be entitled under applicable law. Nothing contained herein shall be deemed to prejudice the exercise by the Holder of any or all of its rights and remedies under the Note or any other Transaction Document or any other document or instrument executed in connection therewith or applicable law.

Very truly yours,

CASTLERIGG MASTER INVESTMENTS LTD.

By: SANDELL ASSET MANAGEMENT  
CORP.



By: \_\_\_\_\_

Name: Timothy D' Brien

Title: Chief Financial Officer

cc: Glast, Phillips & Murray, P.C.  
815 Walker Street, Suite 1250  
Houston, Texas 77002  
Facsimile: (713) 237-3135  
Attention: Norman T. Reynolds, Esq.